

ASSESSORS' HANDBOOK
SECTION 576

VESSEL
ASSESSMENT PROCEDURE

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CALIFORNIA STATE BOARD OF EQUALIZATION

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Reprint Note

This manual has been reprinted with a new format and minor corrections for spelling and math errors. The text of the manual has not changed from the prior edition. It has **not** been edited for law, court cases or other sources since the original publication date.

FOREWORD

This manual provides recommendations for vessel appraisal procedures and office record systems.

Some counties have fewer than 100 vessels and process their assessments through a simple card file. Other counties have many thousands of vessels and program the assessments through electronic data-processing systems. Since vessels transfer from county to county in considerable numbers, it is important for assessors to have compatible forms and guides.

The guides contained in this manual were drafted by the Boat Advisory Committee to the Assessors' Standards Committee. The Assessors' Standards Committee reviewed and approved this manual on October 1, 1965.

Both the 1973 updating and the present one are the result of statutory changes in the Revenue and Taxation Code and the Vehicle Code. The basic appraisal methods remain unchanged.

The most important changes made in the present updating were as a result of the amended sections 130 and 227, Revenue and Taxation Code. Amendments extended the one percent assessment provisions to commercial fishing vessels registered with the Department of Motor Vehicles and passenger fishing vessels carrying seven or more passengers. The amendments also removed the requirement that the port of documentation must be in this state in order for a vessel to qualify for the one percent assessment. A vertical line in the margin denotes changes of some importance.

Jack F. Eisenlauer, Chief
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February 1976

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CHAPTER 1: GENERAL

The appraisal and assessment of vessels present problems found only with this special type of property. These problems arise because of vessels' transitory nature, various configurations, extensive applications of use, and great diversity of builders.

APPROACHES TO VALUE

The same standard of value used on all other property, that is market value, applies to vessels.¹ The fundamental principles of valuation are as applicable to vessels as they are to other types of property. The usual three approaches to value (1) sales comparison, (2) replacement cost, and (3) income analysis, apply in varying degrees.

The sales comparison approach involves an analysis of sales of comparable vessels or of the subject vessel. Such sales give an indication of what people in general are willing to pay for certain models of vessels at a given time.

The replacement cost approach is an estimate of the cost of replacing the vessel with a new model or another one similar in function and utility. This concept is based on the premise that the vessel would not be worth more in exchange than the amount for which it could be replaced.

The income approach is the determination of the present value of future benefits to be derived from ownership of a vessel. This valuation method is based on the premise that the price paid is dependent upon anticipated benefits.

Vessels are not of such nature that all three approaches to value may ordinarily be used. Often only one approach is feasible. The courts recognize this fact, and the California Supreme Court says:

Assessors generally estimate value by analyzing market data on sales of similar property, replacement costs, and income from the property... and since no one of these methods alone can be used to estimate the value of all property, the assessor, subject to requirements of fairness and uniformity, may exercise his discretion in using one or more of them.²

APPROACH TO VESSEL VALUES

The income approach is generally of little assistance in valuing specific vessels. A business dependent upon the use of vessels may be shown to benefit because of their use, but this is not likely to be an indication of value for any particular vessel. In addition, one model of vessel may have different full-time commercial or pleasure applications, and the income approach might indicate different values for different vessels of this model.

¹ See Assessors' Handbook, section 501, *General Appraisal Manual*.

² *DeLuz Homes, Inc. v. San Diego County*, 45 Cal. 2d 546, at pages 563-564.

Replacement cost in case of a new or nearly new vessel usually does establish a maximum value and, when considered along with normal depreciation, will be a strong indication of market value in the case of currently produced vessels. As vessels grow older, the depreciation is less predictable and the accuracy of this approach diminishes. Also, unlike automobiles and airplanes, which have comparatively few manufacturers, there are many manufacturers of vessels, and their products may be delivered in various stages of completion.

More vessels are now being built by fewer and better-known manufacturers than in previous years. Also, there are relatively fewer home-built vessels than existed several years ago. These trends have increased the accuracy of value guides for vessels of the outboard type or small inboards of approximately 25 feet or less. Models of vessels built by known manufacturers are listed in the value guides, along with the list prices and the recommended depreciation schedules. An appraiser may inquire of the boat and vessel dealers in his area concerning names of applicable publications.

Large vessels and those whose builders are not known can be valued with the greatest accuracy by the sales comparison approach. In 1974 there were about 500,000 vessels registered in California, and the volume of transfers of used boats was approximately 91,000 plus 47,000 new boat registrations. These transfers provide sales data for most of the large vessels.

ENTRY ON ASSESSMENT ROLLS

During the past few years, most counties have adopted the practice of entering all vessels on the unsecured tax roll. This practice permits grouping of the assessments, with the following advantages:

1. It simplifies roll-searching problems for the assessor, tax collector, and others;
2. It makes statistical data more readily available;
3. It permits billing of taxes early in March;
4. It eliminates the confusion that ensues when the vessel value is included in the total personal property value and the taxpayer thinks the amount covers other types of taxable personal property;
5. It gives each taxpayer a separate tax bill and receipt identifying his vessel;
6. It avoids the necessity of adding the tax on the vessel to an impound account when a bank or lending institution picks up the bill on the real property and secured personal property;
7. It eliminates a substantial volume of clerical work in the marine division of the assessor's office.

Vessels, whether trailered or kept in the water, are moved so often that it is difficult to say that any vessel is actually located upon a specific parcel of real property on the lien date; therefore, it is a reasonable interpretation (decision) by the assessor that he enroll a vessel on the unsecured roll so that it is not a lien on real property.³

³ Refer to the recommendations made in Assessors' Handbook section 271, *Assessment Roll Procedures*, pp. 15-16.

CHAPTER 2: DEFINITIONS

Terms frequently encountered in the trade are defined here.

BOAT OR VESSEL

Watercraft of every description, other than a seaplane on the water, used or capable of being used as a means of transportation on water.⁴

Motor Boat Classes (65 feet and less in length)

- Class A - Less than 16 feet in length
- Class 1 - 16 feet and up but less than 26 feet
- Class 2 - 26 feet and up but less than 40 feet
- Class 3 - 40 feet and up but not more than 65 feet

Motor Vessel (Any vessel over 65 feet long propelled by machinery other than steam.)

To clarify the terms used in this handbook, a boat is a small vessel, usually propelled by oars or paddles; a vessel is a craft larger than a rowboat, usually propelled by a motor.

DOCUMENTED VESSEL

The term “documented vessel” has a dual meaning. For purposes of the Department of Transportation, Marine Document Branch, US Coast Guard, a documented vessel is one that is required to have and does have a valid marine document issued by the Coast Guard.

For California property tax purposes, a “documented vessel” is one that qualifies as a documented vessel under the Coast Guard’s guidelines plus those vessels registered with or licensed by the Department of Motor Vehicles. See page 6 of this handbook for the Revenue and Taxation Code’s definition of a documented vessel.

UNDOCUMENTED VESSEL

As with “documented vessel” the term “undocumented vessel” has a dual meaning. For purposes of the Coast Guard, an undocumented vessel is one that is not required to have a marine document issued by them. For California property tax purposes, an undocumented vessel is one that does not require and is not documented by the Coast Guard nor does it require registration or licensing by the Department of Motor Vehicles.

⁴ Code of Federal Regulations, Title 46, Subchapter C, sections 24.10 to 24.17.

See the Code of Federal Regulations, Title 46, Part 67.01-11 for vessels exempt from US Coast Guard documentation. Also, see Vehicle Code section 9873 for vessels exempt from registration or licensing by the Department of Motor Vehicles.

FERRY

A place where passengers and freight are regularly transported by water between two fixed termini under authority of law so to do (Revenue and Taxation Code, section 1136).

GROSS TONNAGE

The internal capacity of a vessel measured in units of 100 cubic feet.

NET TONNAGE (TONS BURDEN)

The internal cubic capacity of a vessel, measured in units of 100 cubic feet, which remains after certain spaces such as crews' quarters, working spaces, and machinery compartments have been deducted from the gross tonnage.

The term "tons burden" as used in section 3 (1) of Article XIII of the constitution refers to net tonnage as registered in the US Customs Office (currently the US Coast Guard).⁵

DISPLACEMENT TONS

Weight of water (in long tons) displaced by the vessel:

$$\text{Tons (2240\#)} = \frac{\text{cubic ft. of water displ.}}{35}$$

⁵ *Kiessing v. San Diego County*, 51 Cal. App. 2d 47.

CHAPTER 3: STATUTORY PROVISIONS

The constitutional and statutory provisions relevant to the subject of this handbook section, as they read on the 1975 lien date, are reproduced here.

CONSTITUTIONAL PROVISIONS

Art. XIII, sec. 3 (1) - Exempt property. Vessels of more than 50 tons burden in this state and engaged in the transportation of freight or passengers.

Art. XIII, sec. 14 - Property to be assessed where situated. All property taxed by local government shall be assessed in the county, city, and district in which it is situated.

REVENUE AND TAXATION CODE

Sec. 130. Documented Vessel.

(a) "Vessel" includes every description of watercraft used or capable of being used as a means of transportation on water, but does not include aircraft.

(b) "Documented vessel" means any vessel which is required to have and does have a valid marine document issued by the Bureau of Customs of the United States or any federal agency successor thereto, except documented yachts of the United States, or is registered with, or licensed by, the Department of Motor Vehicles. "Documented vessel" does not include any vessel exempt from taxation under subdivision (1) of section 3 of Article XIII of the Constitution of the State of California.

(c) "Vessel of the United States" means a documented vessel, that is, a vessel registered, enrolled and licensed, or licensed under the laws of the United States, except documented yachts of the United States.

(d) "Port of documentation" means the home port of a vessel as shown in the marine document in force and issued to the owner of such vessel by the Bureau of Customs of the United States or any federal agency successor thereto.

(e) "Marine document" includes registry, enrollment and license, and license.

(f) "In this state" means within the exterior limits of the State of California, and includes all territory within these limits owned by, or ceded to, the United States of America.

(g) "Natural resources" consist of both the living resources of the sea and the mineral and other nonliving resources of the seabed and subsoil together with living organisms belonging to sedentary species, which are organisms which, at the

harvestable stage, either are immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or the subsoil.

(h) "Oceanographic research vessel" means a vessel which the secretary of the department in which the United States Coast Guard is operating, or his successor, finds is an oceanographic research vessel under the laws of the United States.

Sec. 209. Vessels.

The exemption of certain vessels from taxation except for state purposes is as specified in subdivision (1) of section 3 of Article XIII of the Constitution.⁶

Sec. 209.5. Vessels Under Construction.

All right, title or interest in or to any vessel of more than 50 tons burden or 100 tons displacement, and the materials and parts held by the builder of the vessel at the site of construction for the specific purpose of incorporation therein, shall be exempt from taxation except for state purposes, while the vessel is under construction within this state⁷.

Sec. 227. Documented Vessel.

A documented vessel, as defined in section 130, shall be assessed at one percent (1%) of its full cash value only if the vessel is engaged or employed exclusively:

- (a) In the taking and possession of fish or other living resource of the sea for commercial purposes;
- (b) In instruction or research studies as an oceanographic research vessel; or
- (c) In carrying or transporting seven or more people for hire for commercial passenger fishing purposes.

Sec. 228. Vessels With Market Value of \$400 or Less.

(a) A vessel with a market value of four hundred dollars (\$400) or less shall be free from taxation. This section shall only apply to vessels used or held for noncommercial purposes and shall not apply to lifeboats or other vessels used in conjunction with operations of vessels with a market value of more than four hundred dollars (\$400). This section shall not apply to any vessel on which an

⁶ The legal staff of the State Board of Equalization holds that the words "except for state purposes" is excess language as far as current ad valorem taxation is concerned.

⁷ See the comment under sec. 209 regarding the words "except for state purposes."

exemption is claimed under section 210 and shall not apply to more than one vessel owned, claimed, possessed, or controlled by an assessee on the lien date.⁸

(b) For purposes of this section, “vessel” includes every description of watercraft used or capable of being used as a means of transportation on water, except vessels described in paragraphs (1) and (2) subdivision (c) of section 651 of the Harbors and Navigation Code.⁹

(c) For purposes of this section, “vessel” includes all equipment, including mode of power, and furnishings that are normally required aboard the vessel during the accomplishment of the functions for which the vessel is being utilized.

Sec. 1137. Intercounty Ferries.

Where a ferry connects points in more than one county, the wharves, storehouses, and stationary property connected with it shall be assessed in the county where located, and the ferryboats shall be assessed in equal proportions in the counties it connects.

Sec. 1138. Documented Vessels.

Vessels documented outside of this state and plying in whole or in part in its waters, the owners of which reside in this state, shall be assessed in this state.¹⁰

Sec. 1139. County Where Habitually Moored.

Except as otherwise provided in this article, when the owner or master of a taxable vessel gives written notice of its habitual place of mooring when not in service to the assessor of the county where the vessel is documented, the vessel shall be assessed only in the county where habitually moored¹¹.

Sec. 1140. County Where Documented.

Vessels, except ferryboats, regularly engaged in transporting passengers or cargo between two or more ports and vessels concerning which notice of habitual place of mooring has not been given shall be assessed only in the county where documented.

⁸ Section 210 of the Revenue and Taxation Code applies to the householder’s exemption which in turn refers to the household furnishings and personal effects exemption in section 3 (m) of Article XIII, California Constitution.

⁹ Harbors and Navigation Code section 651, paragraph (1) refers to a seaplane on water; paragraph (2) refers to watercraft operating on a permanently fixed course, such as a ferry operating between two points on a cable or other similar mechanical guide.

¹⁰ Normally, the port of a vessel’s documentation is its home port, i.e., the jurisdiction in which its owners live or have their commercial domicile.

¹¹ This section and the following provide a procedure as between counties in California and do not apply to vessels operating in more than one state or in foreign commerce.

Sec. 1141. Nondocumented Vessels.

Vessels not required to be documented shall be assessed in the county where habitually moored when not in service¹².

VEHICLE CODE

9850. Numbering of Undocumented Vessels.

Every undocumented vessel using the waters of this state shall be numbered. No person shall operate or a county, city, or political subdivision give permission for the operation of any undocumented vessel on such waters unless the undocumented vessel is numbered in accordance with this chapter, or in accordance with applicable federal law, or in accordance with a federally approved numbering system of another state, and unless (1) the certificate of number issued to such undocumented vessel is in full force and effect, and (2) the identifying number set forth in the certificate of number is displayed on each side of the bow of such undocumented vessel.

9851. Registration of Public Undocumented Vessels.

The department may promulgate rules and regulations for the registration of undocumented vessels belonging to the state, local public agencies, or to the United States without payment of any fee therefore.

9853. Application For Number.

The owner of each vessel requiring numbering by this state shall file an initial application for a number with the department or with an agent authorized by the department on forms approved by the department. Such forms shall be prepared in cooperation with the Department of Navigation and Ocean Development. The application shall contain the true full name and address of the owner, and of the legal owner if any, and the builder's hull number or any hull number of the vessel as may be required by the department. The application shall be signed by the owner of the vessel and shall be accompanied by a fee of five dollars (\$5).

9853.1. Issuance of Certificate of Ownership and Certificate of Number.

Upon receipt of the application in approved form, the department shall issue a certificate of ownership to the legal owner and a certificate of number to the

¹² With the amendment of Revenue and Taxation Code, sec. 130, the definition of "documented vessel" now includes those registered with the Department of Motor Vehicles (DMV) for purposes of the above Revenue and Taxation Code sections. The county where DMV registered vessels are documented is the county of location indicated on the registration certificate.

owner, or both to the owner if there is no legal owner, stating the number issued to the vessel and the name and address of the owner.

9853.2. Display of Number.

The owner shall paint on or attach to each side of the forward half of the vessel the identification number in such manner as may be prescribed by rules and regulations of the department in order that it may be clearly visible....

9853.4. Stickers, Tabs, or Other Devices.

The department may issue one or more stickers, tabs, or other suitable devices to identify vessels as being currently registered....

9854. Federal or Out-of-State Registration.

The owner of any vessel already covered by a number in full force and effect which has been issued to it pursuant to then operative federal law or a federally approved numbering system of another state shall make application within 30 days after the 90-day reciprocity period provided for in section 9873. Such application shall be in a manner and pursuant to the procedure required for the issuance of a number under section 9853.

9855. Change of Ownership.

If the ownership of an undocumented vessel changes, the existing certificate of ownership and a new application form accompanied by a fee of five dollars (\$5) shall be filed with the department and a new certificate of ownership and a new certificate of number shall be issued in the same manner as provided for in the initial issuance of number and the number shall be reassigned to the new owner.

9861. Expiration Date of Certificates of Number.

All certificates of number expire December 31, 1971, and thereafter on December 31st of every year.

9864. Wrecked, Junked, Destroyed, or Abandoned Undocumented Vessels.

The owner shall furnish the department notice of the wrecking or junking, or the destruction or abandonment of such undocumented vessel within 15 days thereof. Such wrecking, junking, destruction or abandonment shall terminate the certificate of ownership and certificate of number of such undocumented vessel which if in existence shall be surrendered to the department.

The department, upon receiving notice of the abandonment of an undocumented vessel, or upon an official determination that an undocumented vessel has been abandoned, may order the destruction of such vessel at the expiration of 30 days if

an investigation by the department has disclosed that no owner, or lien holder claims an interest in such vessel or if such persons have waived their interest. Nothing in this section shall be construed to deny the legal rights, otherwise provided for by law, of any person claiming an interest in an abandoned vessel if such person notifies the department within the time specified therefore.

9865. Change of Address.

Any holder of a certificate of number shall notify the department within 15 days, if his address no longer conforms to the address appearing on the certificate and shall, as part of such notification, furnish the department with his new address. The department may provide for the surrender of the certificate bearing the former address and its replacement with a certificate bearing the new address or for the alteration of an outstanding certificate to show the new address of the holder.

9866. Display of Other Numbers On Bow.

No number other than the number issued to an undocumented vessel or granted reciprocity pursuant to this chapter shall be painted, attached, or otherwise displayed on either side of the bow of such undocumented vessel.

9869. Information To Be Transmitted To County Assessor.

The department shall transmit information from each initial application and each transfer application or renewal application to the county assessor in the county of residence of the owner of the vessel and to the county assessor in the county in which the vessel is principally kept if other than the county of residence of the owner, if such other county is known to the department. If an application shows that the owner of the vessel has changed his residence from one county to another county or shows that there has been a change in the county in which the vessel is principally kept, the department shall transmit information of the change to the assessor of the county in which the vessel formerly was principally kept. After the department receives a notice pursuant to section 9864, the department shall transmit information of the destruction or abandonment to the assessor of the county in which the owner of the vessel resides and to the assessor of the county in which the vessel is or was principally kept, if other than county was known to the department.

9871. Assignment and Marking of Builder's Hull Number.

Upon application for original registration or transfer of registration of an undocumented vessel, the department may assign an appropriate builder's hull number to such vessel whenever there is no builder's hull number thereon, or when a builder's hull number thereon has been destroyed or obliterated; and such

builder's hull number shall be permanently marked in an integral part of the hull which is accessible for inspection.

9872. Defacing, Destroying or Altering Builder's Hull Number.

No person shall intentionally deface, destroy, or alter the builder's hull number of a vessel required to be numbered under this chapter, without written authorization from the department; nor shall any person place or stamp any serial or other number or mark upon an undocumented vessel which might interfere with identification of the builder's hull number. This does not prohibit the restoration by an owner of an original number or mark when the restoration is authorized by the department, nor prevent any manufacturer from placing in the ordinary course of business numbers or marks upon new vessels or new parts thereof.

9872.5. Amphibious Vehicle.

No certificate of ownership shall be issued under this chapter for any "amphibious vehicle" for which a certificate of ownership may be issued by the department under other provisions of this code.

For the purpose of this section, an "amphibious vehicle" is a device by which any person or property may be propelled, moved, or drawn, both upon water and upon a highway on land.

9873. Undocumented Vessels Not Required To Be Numbered.

An undocumented vessel shall not be required to be numbered under this chapter if it is:

- (a) Already covered by a number in full force and effect which has been issued to it pursuant to federal law or a federally approved numbering system of another state; provided, that such undocumented vessel shall be subject to the numbering requirements of this chapter if it has changed its state of principal use and has been within this state for a period in excess of 90 consecutive days.
- (b) A vessel from a country other than the United States temporarily using the waters of this state.
- (c) A public vessel of the United States, another state or subdivision thereof or municipality of such other state.
- (d) A ship's lifeboat.
- (e) Any vessel belonging to a class of boats which has been exempted from numbering by the department after the department has found that numbering of vessels of such class will not materially aid in their identification; and, if any agency

of the federal government has a numbering system applicable to the class of vessels to which the vessel in question belongs, after the department has further found that the vessel would also be exempt from numbering if it were subject to the federal law. An undocumented vessel propelled solely by oars or paddles and an undocumented vessel eight feet or less propelled solely by sail are exempt from the provisions of this chapter.

CHAPTER 4: STATE REGISTRATION

Title 46, Chapter 1, section 171.01-1 of the Code of Federal Regulations requires that every undocumented vessel propelled by machinery of more than 10 horsepower, whether or not such machinery is the principal source of propulsion, using the navigable waters of the United States and certain possessions, and every vessel of this type owned in a state and using the high seas, shall be numbered, except :

- Certain foreign vessels temporarily using the navigable waters of the United States and certain of its possessions.
- Public vessels of the United States.
- State and municipal vessels.
- Ships' lifeboats.
- Other specifically designated vessels (see Vehicle Code section 9873 on preceding page).

The numbering pattern for California is CF plus a maximum of four digits plus a maximum of two letters, or CF plus a maximum of three digits plus a maximum of three letters, displayed on each side of the bow.

A vessel carrying a "CF" number is eligible for the one percent assessment provided in section 227 of the Revenue and Taxation Code provided it meets other criteria set forth in sections 130 and 227.

The Department of Motor Vehicles (DMV) has the responsibility for registering or licensing vessels in California other than those which are required to have and do have a valid marine document issued by the Coast Guard. To make it easier for people to register their vessels, agents have been appointed throughout the state. Periodically, lists of these agents are sent to each assessor's office.

If you wish information about "CF" numbered vessels, contact the DMV at the following address:

Vessels Registration Section
Department of Motor Vehicles
PO Box 780
Sacramento CA 95818

Provide the "CF" number and/or the name and address of the registered owner.

CHAPTER 5: FEDERAL REGISTRY

REQUIREMENTS

Documented vessels are registered by the Commandant, U. S. Coast Guard at the port of documentation. In California registration facilities are maintained in Eureka, San Francisco, Los Angeles, and San Diego.

Federal registration is required for commercial vessels of 5 or more net tons and is often used permissively by pleasure vessels. These vessels are said to be documented. The name of a documented vessel must be displayed on the stern. The name of a documented commercial vessel must also be affixed to each side of the bow, and the name of a documented pleasure vessel may be so affixed. In addition, the port of documentation or hailing port must be shown on the stern of every documented vessel.

The port of documentation is often an indication of situs of the vessel but is not conclusive. For example, a vessel from Los Angeles, California; Astoria, Oregon; or Juneau, Alaska may be moved to San Francisco, California and kept there for several years, and may even be used in commercial activities, without a change of the name of the port on the stern.

TAXABILITY

Documented vessels are taxable in the same manner as other vessels unless they qualify for the constitutional exemption or the one percent assessment¹³. Those vessels of more than 50 net tons¹⁴ in this state and engaged in the transportation of freight or passengers are exempt from local property taxation. However, not all documented vessels over 50 net tons are exempt because they are not engaged in the transportation of freight or passengers within the meaning of section 3 (1) of Article XIII of the Constitution. Example: boats used solely in catching fish and bringing them to market are not exempt under this section because they are not engaged in transporting property or persons for hire.¹⁵ However, they may be eligible for special assessment under section 227, Revenue and Taxation Code.

The requirements for exemption are complex because of the legal issues involved in the application of the phrase "transportation of freight or passengers." Assistance in interpretation of the phrase may be requested from the Assessment Standards Division of the State Board of Equalization.

¹³ See definition on page 6 (sec. 130) and page 7 (sec. 227), and Title 18, section 151 of the California Administrative Code.

¹⁴ See definition in Chapter 2.

¹⁵ *Dragich v. Los Angeles County*, 30 Cal. App. 2d 397.

REGULATIONS OF THE DEPARTMENT OF TRANSPORTATION, US COAST GUARD

A vessel document is a U. S. Coast Guard form issued by either the Commandant or the Officer in Charge at the home port of the vessel. It contains a description of the vessel, its name and official number, its gross and net registered tons and dimensions, the name and address of the owner or owners, and the name of the master.

TYPES OF DOCUMENTS

Documents consist mainly of the following six forms:

Certificate of Registry (Coast Guard Form 1265). This form declares the nationality of a vessel engaged in trade with foreign nations.

Consolidated Certificate of Enrollment and License (Coast Guard Form 1271). This certificate combines the following into one form:

- Enrollment. Evidence of national character of a vessel of 20 net tons and over engaged in the coasting trade or home traffic.
- License. Permission to engage in the coasting trade, cod fishing, or mackerel fishing.

License of Vessel Under Twenty Tons (Coast Guard Form 1285). This license permits a vessel of under 20 net tons, but not under five tons, to engage in the coasting trade, the coasting trade and mackerel fishing, or cod fishing.

Consolidated Certificate of Enrollment and Yacht License (Coast Guard Form 1290). This certificate combines the following into one form:

- Enrollment as yacht. Evidence of national character of a vessel of 20 net tons and over used exclusively as a pleasure vessel.
- License as Yacht. Permission for a vessel used exclusively for pleasure to proceed from port to port in the US and to foreign ports without entering and clearing at the customs houses.

License of Yacht Under Twenty Tons (Coast Guard Form 1288). This license permits a vessel of under 20 but not under 5 net tons used exclusively for pleasure to proceed from port to port in the US and foreign ports without entering and clearing at customs houses.

Certificate of Inspection (Coast Guard Form 3753). Commercial passenger fishing vessels carrying seven or more passengers must be inspected by the Coast Guard and must carry on board a certificate of inspection¹⁶

¹⁶ This certificate does **not** constitute documentation as do the other five.

CHAPTER 6: SITUS

DETERMINATION OF SITUS

The recent amendment to Revenue and Taxation Code, section 130, which revised the definition of “documented vessel” to include vessels registered with the Department of Motor Vehicles (DMV), has resulted in these vessels becoming subject to the situs provisions of Revenue and Taxation Code, sections 1139 and 1140. Basically, these sections provide that a documented vessel shall be assessed at the place of documentation unless it is kept elsewhere and a notice of this fact has been sent to the assessor of the county of documentation.

For vessels registered with DMV, the place of documentation is the same as the address contained on the registration which indicates where the vessel is kept.

There are only two instances when the place of documentation does not represent the situs of vessel. The first is when the vessel owner has removed the vessel from the place of documentation to another location and has so informed the proper assessor in writing.¹⁷ The second instance is when an assessor can show, despite either the place of documentation or the notice, that a vessel is permanently located in his county.

For those small boats that do not constitute documented vessels under the definition of section 130, situs may be determined based on the following criteria. The assessor may also use this criteria for determining whether a vessel is permanently located in his jurisdiction.

A vessel which is principally kept at a mooring and is not transported by trailer presents few problems. It may cruise briefly for a month or more, but a home port or dock is maintained. A vessel used in this manner should be reported to the assessor on Form AH 576-C, List of Vessels, by the operator of the docking facility.

Many small boats are not habitually kept at a mooring but are lifted from the water and kept in a boat house or put on a trailer and transported to the home of the owner when not in use. For such small boats, the situs should be the location where habitually kept when not in use.

When a vessel is moved two or three times a year but kept periodically at the residence of the owner, the vessel normally has situs at the residence of the owner.

When a vessel is kept at a summer home for several months of the year but kept at a “permanent location” each winter, such as the home of the owner or in a boat house, it should be registered in the county of such permanent location.

When a vessel is kept at a seasonal headquarters, it should be registered in the county of the seasonal headquarters. An example of this circumstance is a vessel which is used at a summer home and kept there during the winter, perhaps on a trailer or in a garage.

¹⁷ Section 1139, Revenue and Taxation Code.

ASSISTANCE FROM THE DEPARTMENT OF MOTOR VEHICLES

The Department of Motor Vehicles is required, under the provisions of section 9869 of the Vehicle Code, to supply vessel situs information monthly to each assessor. Tabulating cards are mailed monthly for this purpose.

This information is not always up-to-date. For example, the ownership of a vessel may change without the Department of Motor Vehicles having been notified, or the notice may be long delayed.

In dealing with situs, the registration procedure requires the holder of a certificate of number,¹⁸ referred to below as the owner, to report where the vessel is principally kept. Such information is forwarded to the assessor concerned. If the vessel is moved within the state after this notice has been given, but it has not been sold or transferred and the owner has not moved, no record will be maintained at the state level, nor will any assessor be notified by the Department of Motor Vehicles.

Likewise, purge cards which indicate vessels that have been removed from a county may not always be correct. An investigation of the status of these vessels or their owners may be made through the use of Form AH 576-B at anytime during the year and through the use of Form AH 576-A in January. It is also recommended that purge cards be kept in an inactive file for future reference.

One county follows up the information that a vessel has been sold, destroyed, or moved out of the county as reported by the owner of the vessel on Form AH 576-A or on Form AH 576-B by sending one of the following DMV forms to the owner:

- Boat 108 (Rev. 9/71) Notice of Change of Address of Change in Location of a Vessel.
- Boat 109 (6/70) Notice of Destruction or Abandonment of a Vessel.
- Boat 110 (New 4/71) Notice of Sale of Vessel.

The owner completes the form and returns it to the assessor, who makes note of the information contained thereon; the assessor then forwards the form to the DMV. A supply of these forms will be provided by the Department of Motor Vehicles upon request.

The letter of transmittal to the vessel owner briefly explains the responsibility of the assessee to keep the county assessor and the Department of Motor Vehicles informed of any changes of ownership or location or of destruction of the vessel. The county involved often finds that the vessel owner, when faced with having to formally change his registration with the DMV, accepts the assessment of his vessel and pays the property tax.

¹⁸ See Vehicle Code, section 9865, quoted on page 11 of this handbook section.

EXCHANGE OF INFORMATION BETWEEN COUNTY ASSESSORS

Cooperation between county assessors is essential to the proper assessment of all vessels. Without this cooperation, many vessels would escape assessment, and accurate information of the description, ownership, and situs of such vessels could be permanently lost.

An assessor frequently receives information that a vessel has been taken to another county or was actually in a different county than that indicated by the information received from the DMV. This information should be routinely forwarded to the assessor gaining jurisdiction along with all other information that may be available, such a vessel description and previous assessed values. It is important that the recipient of this information follow it through to the point of assessment. If it should develop that neither the vessel nor the owner of the vessel can be found where reported, the county originating the information should be notified so that further action can be taken by it to prevent escape of assessment. The originating county should send either Form AH 576-A or Form AH 576-B, depending on the time of the year, to the last known address of the owner of the vessel. The return of the form by the owner of the vessel should establish the exact location of the vessel.

CHAPTER 7: SPECIFIC TYPES OF VESSELS AND THEIR USE

Listed below are specific types of vessels together with a brief description and explanation of the criteria by which to determine taxability and documentation. Use Chapter 6 to guide your determinations of situs unless specific references are made to situs in this chapter.

AMPHIBIOUS CRAFT

1. Amphibious craft is a devise by which a person or property may be propelled, moved, or drawn both upon water and upon land.
2. See Chapter 5 for documentation criteria.
3. This type craft is subjected to ad valorem taxation unless it is licensed to operate on the public highway under the provisions of section 10751 and following of the Revenue and Taxation Code or unless it has been reported as an off-highway vehicle subject to identification under section 38010 of the Vehicle Code.

See also cabin cruiser and houseboat if applicable.

BARGE (LIGHTER, SCOW)

1. A barge means any non-self-propelled vessel (California Administrative Code, Title 14, Division 4, section 6552). A work barge, often called a scow, is usually a large flat-bottomed vessel with broad, square ends. It may contain equipment on its decks. It may be used as a lighter to assist in unloading or loading vessels not lying at wharves, or in transporting freight about a harbor.
2. Barges may be documented for use in the coastwide trade if built in the United States, or if purchased from the Maritime Administration or War Shipping Administration by a citizen or under certain other conditions as listed in subpart 67.01-5 of Title 46 of the Code of Federal Regulations.
3. Barges are exempt from documentation because of their use in certain internal or inland waters of the state. These barges may not carry passengers and may not engage in trade with a contiguous foreign territory. Barges of less than 5 tons (net) are not documented. All barges not otherwise exempt must be documented when engaged in trade between ports in the United States or when engaged in the fisheries.
4. A barge may qualify for assessment at 1 percent of full cash value under the provisions of section 227 of the Revenue and Taxation Code. See page 7 for the provisions of section 227 and Form AH 576-E at the end of this handbook.

5. Work barges, regardless of tonnage, that are not used for carrying freight or passengers are taxable. Barges of 50 net tons (burden) and larger carrying freight or passengers for hire are exempt from property taxation under Article XIII, section 3 (1) of the State Constitution.

The court held in *Smith-Rice Lifts, Inc. v. Los Angeles County*, 256 Cal. App. 2d 190, that derrick barges over 50 tons burden that are equipped with the cranes and held stationary while lifting goods between ship and dock are not engaged in the “transportation of freight” within the meaning of section 3 (1), Article XIII of the California Constitution, and therefore are not exempt from taxation. The exemption under the above section of the constitution applies to “carrier” operations.

CABIN CRUISER

1. A cabin cruiser is a powerboat equipped with a cabin; it usually contains plumbing and all arrangements for living aboard.
2. With few exceptions, (See Chapter 4 of this handbook.) a cabin cruiser must either display a “CF” number or be documented. The five-ton minimum limitation for documentation usually applies to a cabin cruiser that is in excess of 26 feet in length.
3. A cabin cruiser is subject to ad valorem taxation; it may be entitled to the 1 percent assessment only if it is either used exclusively in (1) taking or possession of fish or other living resources of the sea for commercial purposes, (2) instruction or research studies as an oceanographic research vessel, or (3) used for commercial passenger fishing purposes and carrying seven or more passengers.

A cabin cruiser of more than 50 tons burden is not exempt from taxation under Article XIII, section 3 (1) of the State Constitution unless it is engaged in the transportation of freight or passengers.

See “sportfishing” and “fishing vessels” and “tugboats” for similar types.

CANOE

1. A canoe is a form of small boat, long and narrow and sharp at both ends, usually propelled by paddle, with no rudder or sail.
2. It is exempt from numbering, i.e., the “CF” number under the provisions of section 9873 of the Vehicle Code, unless it is of the type powered with a motor.
3. A canoe is subject to ad valorem taxation but may be exempt by section 228 of the Revenue and Taxation Code (see Chapter 3, Revenue and Taxation Code of this

handbook). A vessel with an assessed value of \$101 or more would not be exempt under this section.

DREDGE

1. A dredge is a vessel with the capability of dredging; it may be self-propelled.
2. Refer to Chapter 2, (Documented Vessel and Undocumented Vessel,) and Chapter 5 for documentation criteria.
3. A dredge is subject to ad valorem taxation. It is not exempt from taxation under the provisions of Article XIII, section 3(1), State Constitution when over 50 tons burden.

See also comments under “Barges.”

FERRY

1. A ferry includes a vessel having provisions only for deck passengers and/or vehicles, operating on a short run on a frequent schedule between two points over the most direct water route, and offering a public service of a type normally attributed to a bridge or tunnel. Ferry does not include a vessel navigating the water of the ocean. (California Administrative Code, Title 14, Division 4, section 6552.)
2. A ferry would normally be of a size that requires documentation.
3. A ferry not owned by a governmental agency is subject to ad valorem taxation unless it is more than 50 tons burden and therefore exempt under Article XIII, section 3 (1), State Constitution.

Under the provisions of section 1137 of the Revenue and Taxation Code (see page 8 of this handbook) where a ferry connects points in more than one county the ferryboat shall be assessed in equal proportion in the counties it connects.

FISHING VESSEL

1. Any type vessel may be used for fishing (refer to other definitions in this chapter of the handbook for the specific type vessel being appraised.)
2. Refer to Chapter 2 (Documented Vessel and Undocumented Vessel,) and Chapter 5 for documentation criteria.
3. Vessels of more than 50 tons net burden used solely in catching fish and bringing them to market are not entitled to an exemption from taxation under Article XIII, section 3 (1), State Constitution, since such vessels are not engaged in the transportation of property or

persons for hire¹⁹. However, the court held in *Alalunga Sport Fishers, Inc. v. San Diego County*, 247 Cal. App. 2d 663, that a sportfishing vessel of more than 50 tons burden that returned paying customers to the point of departure is engaged in transportation of passengers for hire and therefore is exempt under Article XIII, section 3 (1), State Constitution.

4. Fishing vessels may be eligible for the 1 percent assessment provisions (refer to the qualifying criteria discussed in Chapter 3 of this handbook).

FLOATING DRY DOCK

Floating dry docks are used for repair of below-the-waterline fittings and suffices of ships. The dry docks are usually moored in dredged berths by anchors and vertical pilings. They are connected to electrical, water, and sewage disposal lines ashore. As such, they should be classified as improvements. There may be instances where floating dry docks are designed to operate and do operate as self-contained units independently of all utility and other lines ashore. In such instances the dry docks may qualify as personal property.

There will be a possessory interest assessment indicated if the mooring area is publicly owned and if the floating dry dock is classified as an improvement.

Some publicly owned floating dry docks are leased to private parties. The possessory interest assessment would then apply to the dry dock and the mooring area if both were publicly owned.

HOUSEBOAT

1. A houseboat is a covered boat sometimes used as a dwelling.
2. It is usually a large, flat-bottomed boat with a superstructure much like a house.
3. Refer to Chapter 2 (Documented Vessel and Undocumented Vessel,) and Chapter 5 for documentation criteria.
4. A houseboat is subject to ad valorem taxation except where it is an amphibious type vessel that is licensed by the Department of Motor Vehicles as a motor vehicle.

Also, see comments for “amphibious craft” and for “cabin cruiser,” if applicable.

KAYAK

1. A kayak is a vessel similar to a canoe; it is completely decked, the covering being laced about the paddler.

¹⁹ *Dragich v. Los Angeles County*, 30 Cal. App. 2d 397; *Crivello v. San Diego County*, 50 Cal. App. 2d 713.

2. See the comments above for “canoe.”

LIFEBOAT

1. A lifeboat is a boat carried by a vessel for use in emergency. A ship’s lifeboat is a lifeboat used solely for lifesaving purposes and does not include dinghies, tenders, speedboats, or other types of craft carried aboard a vessel and used for other than lifesaving purposes. (California Administrative Code, Title 14, division 4, section 6552.)
2. A lifeboat may not be documented. A ship’s lifeboat is not required to be numbered, i.e., the “CF” number.²⁰
3. The value of the lifeboat should be included in the total value of the vessel. It would be exempt if the vessel carrying it is exempt; it would be eligible for 1 percent assessment if the vessel carrying it is eligible.

LIFERAFT

1. A buoyant raft used in life saving. Rafts come in various sizes, such as 1-man, 2-man, 4-man, 6-man, and larger.
2. A liferaft may not be documented. A lifecraft propelled by oars or paddles is not required to be numbered, i.e., the “CF” number according to section 9873 of the Vehicle Code.
3. A liferaft is subject to ad valorem taxation and should be included in the value of the larger vessel carrying the raft if found under that condition. The exemption provided in section 228 of the Revenue and Taxation Code may apply to a liferaft when used exclusively as recreational equipment, and not used as a "liferaft" for a larger vessel.

LIVERY BOAT

A livery boat is any vessel which is held for renting, leasing, or chartering. (California Administrative Code, Title 14, division 4, section 5509.) See the type of boat elsewhere in this chapter that is being appraised.

Refer to Chapter 2 (Documented Vessel and Undocumented Vessel,) and Chapter 5 for documentation criteria.

A livery boat may qualify for the business inventory exemption.²¹

²⁰ Section 9873 of the Vehicle Code.

²¹ See section 129 and 219, Revenue and Taxation Code. Also, Administrative Code, Title 18, section 133.

OCEANOGRAPHIC RESEARCH VESSEL

1. Oceanography is defined as geography that deals with the ocean and its phenomena. Any type of vessel could be used in this type of research; however, section 441 (1) of Title 46 of the United States Code provides, in part, that ...the term "oceanographic research vessel" means a vessel which the Secretary [of Transportation]...finds is being employed exclusively in instruction in oceanography or limnology, or both, or exclusively in oceanographic research, including, but not limited to, such studies pertaining to the sea as seismic, gravity meter and magnetic exploration and other marine geophysical or geological surveys, atmospheric research, and biological research.
2. Refer to Chapter 2 (Documented Vessel and Undocumented Vessel,) and Chapter 5 for documentation criteria.
3. A vessel so used is subject to ad valorem taxation, but it may qualify for the 1 percent assessment if it is:

Used exclusively for:

- Taking and possession of fish or other living resources of the sea for commercial purposes; or
- Instruction or research studies as an oceanographic research vessel; or
- Carrying or transporting seven or more people for hire for commercial passenger fishing purposes.

Form AH 576-E must be completed and filed with the assessor by April 1 in order to qualify for the 1 percent assessment provision. Specific facts must be presented to the assessor in support of the claim that the vessel is used exclusively for oceanographic research.²²

RACING BOAT

1. Any type of vessel may be used in racing; however, motorboats and sailboats are the usual types.
2. These vessels must be documented or numbered, i.e., the "CF" number; see Chapter 4 of this handbook.
3. These vessels are subject to ad valorem taxation. See by type of vessel elsewhere in this chapter and Chapter 3, Revenue and Taxation Code of this handbook, for possible exemptions.

²² Administrative Code, Title 18, section 151.

ROWBOAT

1. A rowboat is a boat (other than a lifeboat) designed to be rowed. See comments for “canoe.”
2. A rowboat is usually numbered if it is to be used with a motor. However it may not be numbered if it is exempt under section 9873 (e) of the Vehicle Code. section 9873 (e) allows the Department of Motor Vehicles to exempt any vessel belonging to a class of boats where the DMV has found that numbering of vessels of such class will not materially aid in their identification.
3. A rowboat is subject to ad valorem taxation unless exempt under the provisions of section 228 of the Revenue and Taxation Code; see Chapter 3, section B of this handbook.

RUNABOUT

1. A runabout is a light motorboat.
2. See the comments for “cabin cruiser” in this chapter relative to its possible exemption under section 228 of the Revenue and Taxation Code as explained in Chapter 3, Revenue and Taxation Code of this handbook.

SAILBOAT

1. A sailboat is a boat propelled by a sail or sails. Sailing-type vessels, depending on their size and rigging, are also referred to as a brig, hermaphrodite brig, ketch, lateen sail, lugsail, sharpie, or sloop.
2. This type vessel may be documented if it is over five tons burden. If not documented, it must be numbered when it exceeds eight feet in length. An undocumented vessel eight feet or less in length, propelled solely by sail, is exempt from numbering under the provisions of section 9873 of the Vehicle Code.
3. A sailboat is subjected to ad valorem taxation. It may be subject to the 1 percent assessment under section 227 of the Revenue and Taxation Code.

A sailing vessel may be exempt from taxation under the provisions of Article XIII, section 3(1), State Constitution, if it meets the qualifications; see Chapter 3, Constitutional Provisions of this handbook. It may also be exempt under section 228 of the Revenue and Taxation Code; see Chapter 3, Revenue and Taxation Code of this handbook.

SPORT FISHING

See comments on page 21 for fishing vessel.

TUGBOAT

1. A tugboat is a strongly built steam or motor powered vessel used for towing.
2. A tugboat may be numbered, but it is usually found to be documented.
3. A tugboat is subject to ad valorem taxation unless it is over 50 tons burden and meets the requirements of Article XIII, section 3 (1), State Constitution. See Chapter 3 of this handbook.

A court concluded that a tugboat exceeding 50 tons burden primarily engaged in towing barges containing petroleum products was engaged in the transportation of freight and thus wholly exempt from taxation under the provisions of Article XIII, section 3 (1), State Constitution.²³ Another court concluded that a harbor tug exceeding 50 tons burden primarily engaged in assisting cargo or passenger vessels in navigating the waters and channels of the harbor is not engaged in the transportation of freight or passengers and therefore not exempt from ad valorem taxation.²⁴

VESSEL UNDER CONSTRUCTION

See reference to Revenue and Taxation Code, section 209.5 on page 7 of this manual.

Section 209.5 provides that vessels under construction and designed to exceed 50 tons burden or 100 tons displacement are exempt from taxation. If a vessel of less than 50 tons burden is being converted and will, when converted, be of more than 50 tons burden, it appears reasonable to hold that such a vessel would be eligible for exemption on the basis that the term “construction” includes both conversion to the larger size as well as new construction. However, the Board’s legal staff is of the opinion that the conversion of a vessel **over** 50 tons burden to accommodate a different use and which will remain over 50 tons burden when converted does not qualify for exemption under this section. However, if prior to conversion, the vessel was exempt under Article XIII, section 3 (1) State Constitution, it may remain exempt during the conversion period. To make this determination, the assessor should consider the intended use after conversion.

Vessels under construction that are designed as less than 50 tons burden or 100 tons displacement would be assessed on the same basis as other personal property under construction on the lien date.

A vessel of over 50 tons burden that is being redesigned and converted to carry freight or passengers would not qualify for exemption under Article XIII, section 3 (1), State Constitution, if the previous usage had been other than carrying freight or passengers. An example would be a navy destroyer undergoing conversion to a passenger vessel. It would not be exempt under Article XIII, section 3 (1), State Constitution, since, as a navy destroyer, it was not engaged in

²³ *Star and Crescent Boat Co. v. San Diego County*, 163 Cal. App. 2d 534.

²⁴ *Crowley Launch and Tugboat Co. v. County of Los Angeles*, 16 Cal. App. 3d 437.

carrying freight or passengers prior to undergoing conversion. Also, since the vessel was over 50 tons burden prior to conversion, it would not be exempt under Revenue and Taxation Code section 209.5 while being converted.

Conversely, a vessel of over 50 tons burden undergoing repairs, which was engaged in carrying freight or passengers prior to the repairs and will be so engaged upon completion of the repairs is exempt under Article XIII, section 3 (1), State Constitution. It is exempt on the basis that the removal from the exempt activity is temporary.²⁵

YACHT

A yacht is any one of various types of relatively small vessels, characteristically with sharp prow and graceful lines and ordinarily used for pleasure.

A yacht may have sails or be motor powered. A yacht is usually documented when it is used to race or cruise to foreign ports.

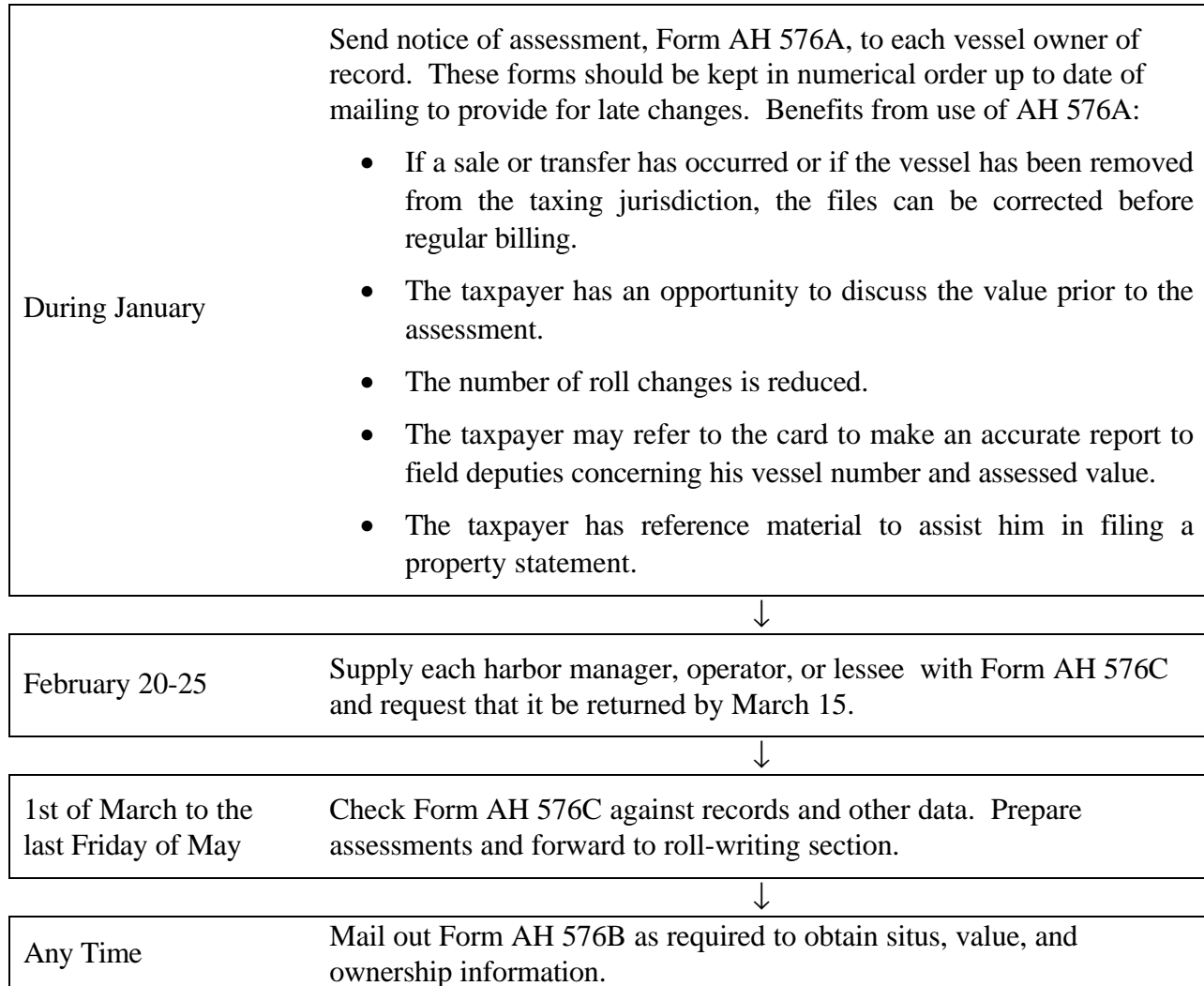
A yacht is subject to ad valorem taxation unless found to be exempt under Article XIII, section 3 (1), State Constitution or section 228 of the Revenue and Taxation Code (see Chapter 3, Revenue and Taxation Code of this handbook).

See comments for either cabin cruiser or sailboat depending on the type of yacht.

²⁵ *Los Angeles County v. Craig*, 1941, 38 Cal. App. 2d 58.

CHAPTER 8: VESSEL ASSESSMENT CALENDAR AND FORMS

SUGGESTED ASSESSMENT PROCEDURE AND CALENDAR



STANDARD VESSEL FORMS

AH 576A. This form is an advance notice of proposed assessment, usually mailed in January. It is also used for general aircraft.

AH 576B. This form is double postcard size and is folded and mailed to known or probable vessel owners. Upon receipt of the card, the indicated vessel owner should detach the half with his name and address and return the pre-addressed remaining half with the information requested. It provides ownership, situs, and valuation data.

AH 576B1. This form may be used as an alternate to AH 576B by those counties preferring the "letter size" form.

AH 576C. This form is used to list vessels kept at any boating facility in the county, whether in the water or in dry storage. The person in control of the facility should be supplied with the forms prior to the lien date. They should be completed as of the lien date and returned shortly thereafter to the assessor.

AH 576D. Vessel Property Statement. This form is used by the assessee to report large or commercially operated vessels that meet the requirements of section 441 of the Revenue and Taxation Code. The form is also used to establish or update the assessor's records of a specific vessel.

AH 576E. This form is used by the assessee in support of his request for an assessed value of 1 percent of full cash value under the provisions of section 227 of the Revenue and Taxation Code.

The affidavit must be filed with the assessor by April 1.

VESSEL FORM AH 576 A

Front

JOHN R. DOE, COUNTY ASSESSOR Bayfair County 2212 Fourth St. Bayfair, CA 90016 Phone 445-2314 Ext. 349	STAMP
IDENTIFICATION NO.	
ASSESSED VALUE	
FULL CASH VALUE	
<p style="text-align: center;">IMPORTANT ASSESSMENT NOTICE</p> <p>Vessels (including motors) are assessed at 25 percent of full cash value; aircraft are assessed at full cash value.</p> <p>Please read reverse side of this notice. Complete appropriate section and return this card in 10 days.</p> <p style="text-align: center;">OVER</p>	
<p style="text-align: right;">MR. RICHARD TAXPAYER 6130 TENTH STREET BAYFAIR, CA 90016</p>	

[Back](#)

IMPORTANT - PLEASE READ

The purpose of this notice is to inform you of the assessor's estimate of the value of a vessel or aircraft which our records indicate is owned by you.

WHAT TO DO WITH THIS NOTICE....

1. If still owned - Sign and return this card, giving location of vessel or aircraft, and explain any modification of motor, hull, or frame.
2. If sold - Complete appropriate section; sign and return this card.
3. If removed from this county - Complete appropriate section; sign and return this card.

THIS CARD MUST BE RETURNED WITHIN 10 DAYS

Veterans claiming exemption must file a "Claim for Veteran's Exemption" by April 15. Vessels that are engaged or employed exclusively for taking and possession of fish or other living resources of the sea for commercial purposes, instruction or research studies as an oceanographic research vessel, or carrying or transporting seven or more people for hire for commercial passenger fishing purposes may be eligible for 1 percent vessel assessment. Please contact your assessor for additional information.

SOLD	PERMANENTLY REMOVED FROM THIS COUNTY
Bill of sale date	Date of Removal
Name of New Owner	Present Address
Address	City
City	State
Exact Location of Vessel or aircraft	
Explanation or Remarks _____	
I declare under penalty of perjury that the foregoing is true, correct, and complete to the best of my knowledge and belief.	
SIGNED _____	City _____
County _____	Date _____

SBE ASD DUAL PURPOSE FORM AH 576A AND AH 577A 2-76

VESSEL FORM AH 576B

Front

Vessel No. _____		Vessel Name _____	
Name of Owner _____		Date Purchased _____	
Address _____		Purchase Price _____ \$ <small>(Exclude Trailer)</small>	
City _____	ZIP _____	Phone _____	
Hull No. _____	Class No. _____	Type _____	Model _____
Extreme Length _____ Ft. _____ In.		Breadth _____ Ft. _____ In. Hull Material _____	
Built By _____		Year Built _____	
Make of Engine _____		No. of Cyls. _____	Horsepower _____ Year _____ Model _____
Location where vessel is principally kept _____			
 Intended use of boat: Pleasure <input type="checkbox"/> Commercial Fishing <input type="checkbox"/> Other <input type="checkbox"/> Oceanographic Research <input type="checkbox"/> Passenger Sport Fishing <input type="checkbox"/>			
If Sport Fishing show maxim number of passengers allowed _____			
Remarks _____			
 If vessel has been sold, give date of bill of sale and new owner's name and address below			
Name _____		Bill of Sale Date _____	
Address _____		Sale Price _____	
I declare under penalty of perjury that the foregoing is true, correct, and complete to the best of my knowledge and belief.			
Signature _____		City _____	
County _____	State _____	Date _____	
<small>SBE-ADS AH 576B 2-76</small>			
 JOHN R. DOE County Assessor Bayfair County 2212 Fourth St. Bayfair, CA. 90016		<div style="border: 1px solid black; width: 100px; height: 80px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">STAMP</div>	
 IMPORTANT TAX NOTICE FROM THE ASSESSOR PLEASE READ			
VESSEL		MR. RICHARD TAXPAYER 6130 TENTH STREET BAYFAIR, CA. 90016	

VESSEL FORM AH 576B

Back

STAMP

JOHN R. DOE
COUNTY ASSESSOR
2212 Fourth St.
Bayfair, CA 90016

VESSEL

Dear Sir:

Kindly fill in all spaces concerning the vessel indicated on the attached card and return to this office within 10 days.

Your immediate attention to this matter will facilitate our efforts to identify your vessel and to arrive at a fair and equitable value.

In the event you prefer to call at this office personally, please be prepared to furnish the information requested on the attached card.

Thank you,

John R. Doe
Assessor
Marine Division

SBE-ASD AH 576B 2-76

VESSELS OWNER'S REPORT FORM AH 576 B1

INFORMATION CONTAINED HEREIN SHALL
BE HELD SECRET BY THE ASSESSOR SEC.
451 REVENUE AND TAXATION CODE.

VESSEL OWNER'S REPORT

Records in the Assessor's Office indicate that you are the current registered owner of the boat identified below. These records are compiled from information received from the State of California, Department of Motor Vehicles (Vessel Registration Section), Department of Navigation and Ocean Development; U. S. Coast Guard, Department of Transportation; Marina Operators and other sources.

FILE _____

DATE _____

FILL IN COMPLETELY AND RETURN WITHIN 15 DAYS FROM THE ABOVE DATE.

Failure to comply will result in Assessment by estimate (Section 501, Revenue & Taxation Code).

OWNER'S NAME AND ADDRESS (PLEASE MAKE CORRECTIONS)				SUBJECT TO PHYSICAL INSPECTION PRINCIPAL LOCATION OF VESSEL <input type="checkbox"/> Owner's Residence <input type="checkbox"/> Other (Detail Below) <hr/> ADDRESS OR MARINA NAME _____ CITY _____ <hr/> DATE ENTERED THIS COUNTY _____ MONTH: _____ DAY: _____ YEAR: _____	
STATE REGISTRATION NUMBER OR DOCUMENTATION NUMBER _____ CF _____ NAME OF VESSEL _____					
YEAR	LENGTH	WIDTH	BUILDER	MODEL	
BOAT TYPE <input type="checkbox"/> Cruiser <input type="checkbox"/> Runabout <input type="checkbox"/> Ski Boat <input type="checkbox"/> Sail Boat <input type="checkbox"/> Houseboat <input type="checkbox"/> Other _____ <input type="checkbox"/> Flying Bridge <input type="checkbox"/> Hard Top <input type="checkbox"/> Soft Top <input type="checkbox"/> Custom <input type="checkbox"/> Hydro <input type="checkbox"/> Keel <input type="checkbox"/> Centerboard					
HULL MATERIAL <input type="checkbox"/> Fiberglass <input type="checkbox"/> Aluminum <input type="checkbox"/> Steel <input type="checkbox"/> Wood <input type="checkbox"/> Other _____			HULL TYPE <input type="checkbox"/> V-Hull <input type="checkbox"/> Tri-Hull <input type="checkbox"/> SK(Ski-Hull) <input type="checkbox"/> Semi-V <input type="checkbox"/> Round <input type="checkbox"/> Other _____		
POWER: <input type="checkbox"/> Prop <input type="checkbox"/> Sail <input type="checkbox"/> Inboard <input type="checkbox"/> Outboard <input type="checkbox"/> Jet <input type="checkbox"/> Other <input type="checkbox"/> Inboard/Outboard <input type="checkbox"/> Aux.			ENGINE DATA: PURCHASE PRICE \$ _____ <input type="checkbox"/> Single <input type="checkbox"/> Gas HP _____ Year _____ Make _____ <input type="checkbox"/> Twin <input type="checkbox"/> Diesel HP _____ Year _____ Model _____		
Purchase Price \$ _____ DATE OF PURCHASE _____ (Including trade-in) <input type="checkbox"/> New <input type="checkbox"/> With Motor <input type="checkbox"/> With Trailer <input type="checkbox"/> Used <input type="checkbox"/> Without Motor <input type="checkbox"/> Without Trailer NOTE: Only Boat and Motor are subject to Personal Property Tax.			INTENDED USE: Pleasure <input type="checkbox"/> Comm. Fishing <input type="checkbox"/> Oceanographic Research <input type="checkbox"/> Passenger Sport Fishing <input type="checkbox"/> Sport Fishing <input type="checkbox"/> show maximum number of passengers allowed _____.		
CONDITION OF VESSEL: <input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair* <input type="checkbox"/> Poor* * Detail in Remarks on Reverse Side.					
ADDITIONAL EQUIPMENT SINCE PURCHASE. LIST ITEM, PRICE AND PURCHASE DATE IN REMARKS ON REVERSE SIDE.					
IF VESSEL HAS BEEN SOLD: Bill of sale date _____ New owner's name _____ Address _____ City _____ Sale Price \$ _____					
The Registered Owner on Lien Date, 12:01 a.m. March 1, is liable for the Personal Property Tax (Sections 405 & 2192, Revenue and Taxation Code). Please report any change in ownership or location to avoid assessment to incorrect owner and assure proper allocation of taxes.					
IMPORTANT: SEE REVERSE SIDE FOR CALIFORNIA VEHICLE CODE					
This information requested in accordance with Section 441 Revenue and Taxation Code of the State of California which vests in the Assessor the authority to obtain information required for assessment purposes. I declare under penalty of perjury that this statement is true, correct and complete to the best of my knowledge and belief.					
Signed _____ City _____ County _____ Date _____ Home Telephone _____					

SBE-ASD AH 576-B1 FRONT

PLEASE READ FOLLOWING SECTIONS FROM THE CALIFORNIA VEHICLE CODE

9901. **Application by Transferee for Certificates of Ownership and Numbering; Fee.**
Whenever any person has received as transferee a properly endorsed certificate of ownership and the certificate of number of the vessel described in the certificates, he shall within 10 days thereafter file the certificates accompanied by a fee of five dollar (\$5) with the department, [DMV], and thereby make application for a certificate of ownership and certificate of number.
9864. **Wrecked, Junked, Destroyed, or Abandoned Undocumented Vessels.** The owner shall furnish the department notice of the wrecking and junking, 15 days thereof. Such wrecking, junking, destruction, or abandonment shall terminate the certificate of ownership and certificate of number of such undocumented vessel which if in existence shall be surrendered to the department.
9865. **Change of Address.** Any holder of a certificate of number shall notify the department within **15 days**, if his address no longer conforms to the address appearing on the certificate and shall,... furnish the department with his new address....

REMARKS:

LIST OF VESSELS FORM AH 576 C

ASSESSOR'S OFFICE

COUNTY OF _____

LIST OF VESSELS

TO OWNERS, OPERATORS, AND LESSEES OF PRIVATE AND PUBLIC BOATING FACILITIES:
Under authority of sections 441 (d) and 442 of the Revenue and Taxation Code of the State of California, you are required to complete this form and return it to the County Assessor.

VESSEL NUMBER	VESSEL NAME	OWNER'S NAME	ADDRESS

The above is a complete list, as of the end of February, of all vessels of every kind which are principally kept at this location or are under our control, whether or not they are numbered or registered, dismantled, stored, or under construction or modification.

Name _____ Address _____

Signature _____ Telephone No. _____ Date _____

VESSEL PROPERTY STATEMENT FORM AH 576 D

OFFICIAL REQUIREMENT

A report on this form is required of you by Section 441 of the Revenue and Taxation Code. The statement must be completed according to the instructions and filed with the Assessor on or before _____. Failure to file it on time will compel the Assessor to estimate the value of your property from other information in his possession and add a penalty of 10% as required by Section 463 of the Code.

19 _____ VESSEL PROPERTY STATEMENT

This statement is not a public document. The information contained herein will be held secret by the Assessor (Sec. 451, Rev. & Tax. Code); it can be disclosed only to the district attorney, grand jury, and other agencies specified in Sec. 408 of the Rev. & Tax. Code. Attached schedules are considered to be part of the statement.

1. PERSON OR

CORPORATION NAME _____

D.B.A. _____

MAILING ADDRESS _____

CITY AND STATE _____ ZIP CODE _____

2. VESSEL'S NUMBER _____

VESSEL'S NAME _____

3. LOCATION OF THE VESSEL: _____

Port, berth, and city _____

4. PHONE NUMBER _____

(8:00 a.m. to 5:00 p.m.)

VETERANS: Are you filing a claim for veteran's exemption? Yes ☐ ; No ☐

If yes, a separate "Claim for Veteran's Exemption" form must be filed with the Assessor on or before April 15.

HOMEOWNERS: Do you occupy this vessel as your principal place of residence? Yes ☐ ; No ☐

If yes, a separate "Claim for Homeowner's Exemption" form must be filed with the Assessor on or before April 15.

COMMERCIAL FISHING, RESEARCH, AND COMMERCIAL PASSENGER FISHING: You may be eligible for 1 percent assessment. If so, Form AH 576E, AFFIDAVIT FOR 1 PERCENT ASSESSMENT OF CERTAIN VESSELS, must be filed with the assessor by April 1. (See the reverse for instructions.)

THIS PROPERTY STATEMENT MUST BE FILED WITH THE ASSESSOR AS REQUIRED BY LAW IN ORDER THAT THE ASSESSOR MAY UPDATE HIS RECORDS AND PROPERLY ASSESS THE VESSEL.

5. Enter the vessel's acquisition cost \$ _____ and date _____.

6. List additions to or retirements from the vessel, including the motor, between March 1 of last year and the last day of February of this year. Include such items as radio and radar, nets and traps, tenders and other gear.

ITEM	DATE ACQUIRED	COST

7. List equipment leased to you which is used in connection with the vessel's operation.

NAME AND ADDRESS OF OWNER OR LESSOR	YEAR OF MANUFACTURE	DATE ACQUIRED	DESCRIPTION	COST IF PURCHASED NEW

I declare under penalty of perjury that the foregoing property statement, including any accompanying schedules and statements, is true, correct, and complete to the best knowledge and belief of the undersigned and covers all personal property at the above location owned, claimed, possessed, controlled or managed by the person named in the statement at 12:01 a.m. March 1, 19____ and required to be reported on the statement. If prepared by a person other than the taxpayer, his declaration is based on all information of which he has knowledge.

Signed _____ Title _____ Date _____ 19 ____

If incorporated _____ Complete Corporate Name _____

Signature and Address of Preparer other than Taxpayer _____ Date _____ 19 ____

SBE-ASD AH 576-D FRONT 9-12-69 (REVISED 10-25-74)

INSTRUCTIONS FOR PREPARATION AND FILING OF THE VESSEL PROPERTY STATEMENT

Upon written request of the assessor, any person owning taxable tangible property within the county must file a written property statement on a form provided by the assessor. The statement is to be made under penalty of perjury to the assessor of the county in which the property is situated.

Sections 227 and 255 of the Revenue and Taxation Code provide that a **documented vessel** MAY be subject to assessment at 1 percent of the full value. Section 227 states:

"A documented vessel, as defined in section 130, shall be assessed at 1 percent of its full cash value only if the vessel is engaged or employed exclusively: (a) in the taking and possession of fish or other living resource of the sea for commercial purposes; (b) in instruction or research studies as an oceanographic research vessel; or (c) in carrying or transporting seven or more people for hire for commercial passenger fishing purposes."

Section 255 provides that the form "Affidavit for 1 Percent Assessment of Certain Vessels" shall be filed each year with the assessor between March 1 and 5 o'clock p.m. on April 1; failure to file this form timely will subject the vessel to assessment under other sections of the Revenue and Taxation Code. If you have vessels that qualify for the 1 assessment and have not been provided these forms (AH 576E, AFFIDAVIT FOR 1 PERCENT ASSESSMENT OF CERTAIN VESSELS), ask the assessor to provide one for each vessel so qualified.

Section 130(b) of the Revenue and Taxation Code states in part:

"Documented vessel means any vessel which is required to have and does have a valid marine document issued by the Bureau of Customs of the United States or any federal agency successor thereto, except documented yachts of the United States, or is registered with, or licensed by, the Department of Motor Vehicles..."

LINE 1. NAME AND MAILING ADDRESS: (file a separate form for the vessel.)

- a. NAME OF PERSON OR CORPORATION: Be sure the correct name is shown. In the case of an individual, enter the last name first, then the first name and initial. Partnerships should enter at least two names, showing the last name, first name and initial for each partner. Corporation names should be complete so they will not be confused with fictitious or DBA names.
- b. DBA OR FICTITIOUS NAME: Enter the DBA (Doing Business As) name under which you are operating in this county below the name of the sole owner, partnership, or corporation.
- c. MAILING ADDRESS: Enter the mailing address of the assessee. This may be either a street address or a post office box number.

LINE 6. List additions to or retirements from the equipment of the vessel that were made between March 1 of last year and the last day of February of this year. Describe the item added or retired and give the type, model number, serial number, etc. Explain any major overhaul of the vessel, its motor, or other equipment.

LINE 7. LEASED EQUIPMENT: List all leased equipment installed or used on the vessel, giving name and address of lessor, description of equipment, year of manufacture, if known, year you acquired it, your cost installed, including freight and taxes, had you purchased it new, if known, and monthly or annual rental charges. Give option purchase price if stated in lease agreement. If additional space is needed, list on separate schedule and attach the schedule to this property statement.

**AFFIDAVIT FOR 1 PERCENT ASSESSMENT
OF CERTAIN VESSELS**

**AFFIDAVIT FOR 1 PERCENT ASSESSMENT OF DOCUMENTED VESSELS AND CERTAIN VESSELS
REGISTERED WITH THE DEPARTMENT OF MOTOR VEHICLES UNDER SECTIONS
227 AND 254 OF THE REVENUE AND TAXATION CODE**

(See also sections 130, 255, and 260 of the Revenue and Taxation Code.)

*This affidavit must be filed with the Assessor by APRIL 1 in order to qualify
for an assessed value of 1 percent of full cash value.*

STATE OF CALIFORNIA, COUNTY OF _____

states:

(NAME OF AFFIANT)

1. That as _____
(TITLE)
2. of the _____,
(CORP, PARTNERSHIP, OR D.B.A.)
3. the address of which is _____;
(GIVE COMPLETE ADDRESS)
4. that I/the organization is the owner of a vessel that is either documented by the Bureau of Customs and named _____
or is registered by the California Department of Motor Vehicles, whose document number or CF number
is _____ and, if applicable, whose port of documentation is _____.

5. that the vessel is engaged or employed EXCLUSIVELY in one of the following activities:

- ☐ taking and possession of fish or other living resources of the sea for commercial purposes
- ☐ carrying or transporting seven or more people for hire for commercial passenger fishing purposes

If performing one of the above activities, provide Fish and Game Boat Number _____

- ☐ instruction or research studies as an oceanographic research vessel

PERSON TO CONTACT DURING NORMAL BUSINESS
HOURS FOR MORE INFORMATION

STATE OF CALIFORNIA)
) ss
COUNTY OF _____)

Name _____

*I declare under penalty of perjury that the foregoing statement,
and any accompanying schedules and statements, is true, correct,
and complete to the best of my knowledge and belief.*

Address _____

Telephone Number _____

(SIGNATURE OF PERSON MAKING CLAIM)

(DATE)

THIS DOCUMENT IS A PUBLIC RECORD AND IS SUBJECT TO PUBLIC INSPECTION

INSTRUCTIONS

To determine eligibility for assessment at 1 percent of the full cash value of a documented vessel under the Revenue and Taxation Code, section 227, the owner MUST FILE THIS AFFIDAVIT WITH THE ASSESSOR on or before APRIL 1 each year. Failure to file this affidavit timely will subject the vessel to assessment at the same percentage as other property.

Revenue and Taxation Code, section 227: "A documented vessel, as defined in section 130, shall be assessed at 1 percent of its full cash value only if the vessel is engaged or employed exclusively: (a) in the taking and possession of fish or other living resource of the sea for commercial purposes; (b) in instruction or research studies as an oceanographic research vessel; or (c) in carrying or transporting seven or more people for hire for commercial passenger fishing purposes."